

MEMBERS PRESENT: Chairman Banner
 Vice Chairman Thompson
 Mr. Bennett
 Mrs. Cafferata
 Miss Foley
 Mr. Hickey
 Mr. Jeffrey
 Mr. Rackley
 Mr. Rhoads

MEMBERS ABSENT: None

GUESTS PRESENT: Joe Buckley, Director of Industrial Relations, Summa Corporation; Member of Board of Directors of Southern Nevada Personnel Association; Member of NIC Advisory Board
 Harvey Whittemore, Attorney at Lionel, Sawyer, and Collins; Nevada Resort Association and Gaming Industry Association
 Joe Nusbaum, Chairman of Nevada Industrial Commission
 Claude Evans, Secretary-Treasurer of Nevada AFL-CIO
 Jack Kenney, Southern Nevada Homebuilders
 Chuck King, Nevada Self-Insurers
 (See attached guest list)

Chairman Banner called the meeting to order at 5:05 p.m. and said the agenda for today would be AB 49 and is a continuation of a previous hearing. Also, Amendment 191 amends the bill as a whole. EXHIBIT A Pages 1 through 6 (attached to these minutes)

Mr. Jeffrey requested a committee introduction of a bill requested by the AFL-CIO requiring theatrical agents be licensed to do business in Nevada. Mr. Jeffrey moved for a committee introduction of this bill, seconded by Mr. Rhoads, and unanimously carried by the members present.

Mr. Hickey requested a committee introduction of a bill requiring those contractors who will be dealing with MX to be registered and licensed with the MX. Mr. Hickey moved for a committee introduction of this bill, seconded by Mr. Rhoads, and unanimously carried by the members present.

AB 49: Makes certain changes to law on industrial insurance.

Joe Buckley spoke in behalf of the major amendments to AB 49. In summarizing the bill he pointed out five major areas that it covers: 1) Individual case reserves where an individual worker is hurt. It gives the employer the opportunity to file in a timely fashion an objection with the NIC if the employer feels there is something wrong with the individual case reserve that has been set up. 2) Declaring of surpluses. This area needs to be extensively revised. 3) The bill also provides

for the opening up of the rehabilitation center (so that employers costs can be reduced by letting other people use the center on a non-interference basis). 4) If an employee is not in agreement with the decision of the NIC and wishes to take his appeal up through the appeal procedure; if he needs legal advice, the state industrial attorney will represent that individual, therefore saving him legal fees. 5) If an individual is injured, the doctor should be required to provide a certificate stating so.

Harvey Whittemore directed his comments to AB 49 as it was originally written. He pointed out the sections that were taken out. On Amendment 191 it indicates that Sections 11 through 12 are renumbered as Sections 9 through 10 (deleted). EXHIBIT A.

He started out his presentation by giving background of how the system works. An employer elects to be covered through the NIC or chooses to provide Workmens Compensation coverage by becoming a self-insured employer. The self-insured option was not available until last year. The coverage is funded by paying in certain premiums which the NIC has determined are sufficient to pay any expected losses, which is determined by an actuary's estimate. He suggested that when the employer has paid in too much premium, the surplus funds should be returned to the employer. He stressed that there is no impact on the employee. There should be a contingency reserve against underestimating the number of losses. He said we need to determine what the appropriate contingency reserve level should be as compared to the premium that was brought in by the NIC. The surplus would only be the money above and beyond that level, which would be distributed to the eligible employers.

He defined what an eligible employer is: Someone who has a good safety record and provides a safe working area for the employee. The premiums paid in exceed the loss payments that were made by the NIC. Those employers who have claims exceeding their premium payments are not eligible for any dividends.

He further stated that once the NIC declares a surplus, they are allowed to make a choice to either return it to the safest employers or to reduce rates for the upcoming year, thus giving the benefit of that reduction to all employers whether safe or not. The purpose of this legislation is to reward only the safe employers.

He also stated that those employers who have left the system are not eligible to share in any future dividends. Those employers, while they were with the NIC, paid in over a great period of time premiums in excess of those which were necessary to pay for the insurance which they were obligated to provide. The purpose of this legislation makes them eligible to receive dividends based upon the amount of premiums they paid in during the time they were with the NIC.

Harvey Whittemore then reviewed Sections 6 and 8 of Amendment 191. EXHIBIT A.

He pointed out some errors and omissions in Amendment 191. EXHIBIT A:

P. 1, Sec. 2, Sub.Sec. 2, Line 1: after employer who pays add: "or has paid"

P. 2, Sec. 3, Sub.Sec. 3, Line 4: change employees to "employers"

P. 2, Sec. 4, Line 3: after who pays add: "or has paid"

A discussion then followed regarding the state industrial attorney being available to every claimant without regard to cost to be paid by the employer.

Harvey Whittemore then referred to Section 13 (now Section 11) EXHIBIT A concerning notices of death claims must be accompanied by a physician's certificate.

Mr. Jeffrey interjected that this is the most common problem that the employer has (that the doctor does not get this information back), thereby putting the burden on the employee. A discussion followed related to this.

Mr. Whittemore stated that this bill simply provides a mechanism that is very reasonable, that the NIC has unbridled discretion between setting that reserve between 0 and 25. If it is actuarial supportable, they will set the reserve this year at 30%, and any money above and beyond that will be defined as surplus. Just cause should be shown for this 30%.

Mr. Joe Nusbaum Chairman of the NIC, stated that he was appearing in opposition of the bill. In referring to the amendment to bill No. 49, (EXHIBIT A), Mr. Nusbaum said that sections 2 through 7 deal with the determination and distribution of surplus in the state insurance fund. In 1980 the Commission proposed a regulation to cover this subject. A public hearing was held on that regulation, major changes were made to accommodate the interest of the resort people, and the regulation was adopted. Now, in effect, they are here asking that all the provisions of that regulation, with a number of significant changes be put into the law. The loss limit is something that is changed based on experience, based on actuarial studies, based on the policies of the insured - it's not something that is rigid and fixed and should remain the same. The bill would limit the level of the provision for contingencies to 25% unless the Insurance Commissioner should approve a higher figure. The average surplus to premium percentage for all insurance companies in 1979 was approximately 50%. The percentage currently being used is very low compared with almost everyone else and yet this bill objects to going above 25% unless proved to the insurance commissioner. Mr. Nusbaum also stated that he was unaware of any state that legislates the maximum on the amount for the provision

of contingencies. The economic situation must be considered, the loss to self insurance, legislative action which might affect the condition of the fund. All this should be at the discretion of those who run the fund, not to some third party. All of the first seven sections are based on the premise that the fund's surplus belongs solely to today's employer, not from underwriting gains. The big surpluses over the last 3 or 4 years have come about because of inflation and high interest rates. It has been earned on reserves that have been set up for people who were hurt last year, five, ten and twenty years ago, to take care of the compensation and benefits of those people. The very same inflation that created a surplus in the fund has eaten away at the real value of benefits to those people. It would be a different story if the surpluses were created by underwriting gains.

Mrs. Cafferata inquired about the interest rate on investments. Mr. Nusbaum noted over 8% total investment return with a major increase in the last 3 years. He felt the increase will persist for some time because of the long-term investments such as bonds which react more slowly to the interest rates. Their investment portfolio at present is about \$300 million, most of that in reserves.

In answer to Mr. Bennett's question as to why employer's premiums continue to rise, Mr. Nusbaum stated that the overall premium rate has not changed in four years. Income and premiums collected have increased because wages have gone up; however, it is still based on the same overall rate.

Mr. Hickey asked when interest monies are moved into the surplus. It was explained that whenever any monies are collected, dividends paid, or gains realized on bonds, it then becomes available for use. It was also noted that approximately \$21 million was investment income this past year and it is the discounting of reserves and the actual investment income that has produced the large surpluses of the last several years. Regulation 37, it was noted, includes the option for the commission to delay the determination on the level of contingencies and the surplus until after the legislature meets, thus providing time to contemplate economic conditions. A more practical option under regulation 37 is that the surplus can be applied to premium rates of the next year. It makes more sense to use that surplus to hold those premiums down than to send it back to last year's employers and then raise the rates for one year.

In commenting on the reserving portion of the bill, Mr. Nusbaum stated this was a subject heard endlessly by the Advisory Board. Comments were read as given by this board.

Mr. Nusbaum stated that one of the really good things about Nevada's worker's comp system is that attorneys have been kept out to a large

extent. The NIC and employers usually agree totally on issues regarding the claimant, but employer problems involve endless hearings which tie up the system.

Regarding the Rehab part of the bill, Mr. Nusbaum stated there was no problem although he believes AB 115 on the Rehab center is better. He felt the issue of a doctor sending in a certificate with a claims report is impractical and the claimant should not have that burden. He also felt an industrial attorney should be available to any claimant.

Mr. Claude Evans, Secretary-Treasurer of the Nevada AFL-CIO, stated he was shocked at hearing some of the prior testimony, agreed with Mr. Nusbaum that monies were made upon the monies of the injured worker, and was appalled at the total of \$35 million in rebates paid back to employers since the last session of the legislature. Several hundred Nevada residents have been killed in industrial accidents and Mr. Evans felt that surplus monies should be returned to the people who were entitled to those benefits.

Mr. Jack Kenney, representing the Southern Nevada Homebuilders, stated he was authorized to vote in favor of the bill. Mr. Chuck King, representing Nevada Self-Insurers, reiterated what Mr. Nusbaum said regarding self insurers being eligible for a dividend if there was a dividend for 1981, which would be based on years 1978, 1979, and 1980. He said millions of dollars were left in over-reserving. From Central Telephone's experience, the last 6 year's premium were between \$250,000 and \$330,000 a year. After deductions for claims, administration, reserving, and amounts received in dividends, there was still approximately half a million dollars in over-reserving left. As a result, self-insurers should be able to share in dividends. In answer to Mr. Bennett's inquiry as to why over-reserving is so high, Mr. King explained that there are formulas for reserving a certain amount, approximately \$5,000 put on a particular claimant, until the severity of the injury can be established.

With respect to Chairman Nusbaum's comments on administrative expense and loss limits, Harvey Whittemore pointed out that assigning a 10% figure to each employer's losses is simply for expediency sake. Mr. Hickey questioned that there was no increase in rates in four years. He explained that they were currently going through their budgets and insurance programs, and rates are shooting right through the roof.

Mr. Whittemore replied that under existing law the NIC is obligated and their function is to make that system self-supporting and nothing more; to pay the benefit, to pay their administrative expenses, and to carry such reasonable reserves as are by law prescribed.

Miss Foley distributed to the committee Amendment 312 to AB 137 EXHIBIT C, pages 1 through 3 (attached to these minutes).

Mr. Thompson adjourned the meeting at 6:43.

Respectfully submitted,

Lora Day
Christine Shaw

Lora Day
Christine Shaw, Secretaries

Also attached to these minutes is Exhibit B, having to do with the NIC

LABOR AND MANAGEMENT COMMITTEE

Date: 3-24-81

GUEST LIST

AB-49

PLEASE PRINT YOUR NAME	PLEASE PRINT WHO YOU REPRESENT	I WISH TO SPEAK		
		FOR	AGAINST	BILL
HARVEY WHITEMORE	Nevada Resort Assn ; Gaming Industry Assn	*		
Carl Buckler	Summa Corp	*		
Whitney P. Miles	Clark County Managers			
Marion Puzin	Antoin for Helen Foley			

1981 REGULAR SESSION (61st)

ASSEMBLY ACTION	SENATE ACTION	Assembly	AMENDMENT BLANK
Adopted <input type="checkbox"/>	Adopted <input type="checkbox"/>	AMENDMENTS to <u>Assembly</u>	
Lost <input type="checkbox"/>	Lost <input type="checkbox"/>	Bill No. <u>49</u>	<u>Joint</u>
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>	BDR <u>53-501</u>	<u>Resolution No.</u>
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>	Proposed by <u>Mr. Banner</u>	
Concurred in <input type="checkbox"/>	Concurred in <input type="checkbox"/>		
Not concurred in <input type="checkbox"/>	Not concurred in <input type="checkbox"/>		
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>		
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>		

Amendment N^o 191



Amend section 1, page 1, line 2 by deleting "2 to 5," and inserting "2 to 8,".

Amend the bill as a whole by deleting sections 2 through 10 and inserting:

"Sec. 2. As used in sections 2 to 8, inclusive, of this act, unless the context otherwise requires:

1. "Administrative expense" means an amount equal to 10 percent of the earned premium.

2. "Contributing employer" means an employer who pays premiums for industrial insurance to the commission.

3. "Earned premium" means the amount of premium determined by multiplying the contributing employer's reported payroll during the period of experience period by the appropriate average rates payable for specific job classifications as modified by factors reflecting his experience and effective at the time the payroll was earned, less the amount of premium refunded under the terms of a retrospective rating plan effective during the period of experience.

4. "Period of experience" means the 3-year period considered by the commission in calculating the experience dividend to which a contributing employer is entitled. The period begins on July 1 of the third year preceding the fiscal year for which the dividend is being calculated and ends June 30 of the year immediately preceding that fiscal year.

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5. "Incurred losses" means the sum of the disbursements which have been made on each claim through June 30 of the dividend year and the reserve balance charged against each claim on June 30 of the dividend year.

Sec. 3. 1. Upon completion of the annual audit of the state insurance fund and receipt of the report of its actuary, the commission shall determine the amount of money to retain as protection for the solvency of the fund against the adverse effects of any catastrophe, change in judicial decisions, deficiency in the actual reserve or any other contingency whose effect cannot be predicted with accuracy. This amount must not exceed 25 percent of the amount collected as premiums during the preceding fiscal year unless the commission establishes by clear and convincing evidence in a hearing before the commissioner of insurance that a greater amount is needed to protect the solvency of the fund.

2. The commission shall notify each of the contributing employers of its intention to seek an amount greater than 25 percent. Any contributing employer may participate as an interested party during the hearing. At the hearing the commissioner of insurance shall consider the objections made by the parties appearing, and resolve all matters in dispute after the hearing in a manner which does not unjustly affect the objecting party or the state insurance fund. The commission shall retain the amount of money ordered by the commissioner of insurance.

3. Upon determining the amount of money to be retained as a reserve for those future contingencies, the commission shall return any surplus of money, as shown by its financial statement, in the state insurance fund to eligible contributing employees as dividends based on experience.

Sec. 4. A contributing employer who has provided his employees with industrial insurance during 12 months or more of the period of experience under a policy issued by the commission and who pays a premium of at least \$2 for each month of coverage is eligible to participate in the distribution of a dividend.

Sec. 5. 1. A contributing employer is entitled to receive a dividend if the commission's calculation of his earned premium less the sum of administrative expense and incurred losses, as determined pursuant to subsection 2, on the policy produces a positive result.

2. Except as provided in subsection 3, the maximum incurred loss attributable to a contributing employer's experience for any one claim is limited to \$3,000 plus 50 percent of the expected losses for the period of experience not to exceed:

(a) Ninety thousand dollars per claim for claims incurred during the first year of the period of experience.

(b) Sixty-five thousand dollars per claim for claims incurred during the second year of that period.

(c) Forty thousand dollars per claim for claims incurred during the third year of that period.

3. The maximum incurred loss attributable to a contributing employer's experience for a claim based on silicosis is \$2,500.

Sec. 6. 1. For the purposes of distributing the dividend based on experience, the commission shall place each eligible contributing employer in one of nine groups based on the amount of earned premium contributed by him during the period of experience. Each group of contributing employers must consist of those who have contributed at least 10 percent, but not more than 12 percent, of the total premium. The commission shall list all eligible contributing employers from the contributor of the smallest amount in ascending order to the contributor of the largest amount. The first group of contributing employers must consist of those eligible employers who have contributed the least. The second group of contributing employers must consist of the eligible employers who have contributed the next higher range of amounts. Each subsequent group must be determined in accordance with this procedure until the final group is determined, which must consist of the employers who have contributed the largest amounts.

2. The commission shall:

(a) Distribute the dividend to each group of contributing employers in the same ratio as the premium contributed by the group bears to the total premium contributed by all eligible employers.

(b) Calculate a dividend factor for each group of contributing employers by dividing the amount of the dividend assigned to the group by an amount equal to the group's total premium less the sum of the administrative expenses and the incurred losses attributable to the group.

(c) Calculate the dividend due to each contributing employer by multiplying the dividend factor by an amount equal to the earned premium on the policy less the sum of the administrative expense for the policy and the incurred losses attributable to the contributing employer.

Sec. 7. 1. The total dividend based on experience which is distributed must be in an amount within 1 percent of the total declared dividend. The minimum dividend which may be paid to a contributing employer is \$1. A dividend of \$10 or more must be paid by check if the contributing employer's advance deposit is adequate.

2. If the balance of a contributing employer's advance deposit is deficient on September 30 of the year following the fiscal year for which the dividend is calculated, the dividend must be deposited for a credit to the advance deposit to the extent necessary to cover the deficiency.

3. A dividend of less than \$10 must be added to the contributing employer's advance deposit.

4. The commission shall pay the dividend during October of the year immediately following the fiscal year for which the dividend is calculated.

Sec. 8. 1. Whenever the commission allows a claim, it shall:

(a) Establish an actual reserve of money for that claim equal to the present value of all predicted future payments for the claim; and

(b) Provide the affected employer an opportunity to review and discuss with the representative of the commission all the information used to establish the amount of the actual reserve.

2. An employer may protest the amount of the actual reserve for any claim by filing with the commission a notice of protest within 30 days after notification of the amount established as a reserve, if the employer alleges that the reserve established by the commission exceeds the amount of the reserve required by subsection 1 by \$2,500 or more.

3. Within 20 days after receipt of the protest the staff of the commission shall explain in writing to the protesting employer how the amount of the reserve was established for each protested claim.

4. Each explanation must include separate line entries for the amounts allocated for:

- (a) Temporary partial disability;
- (b) Temporary total disability;
- (c) Permanent partial disability;
- (d) Permanent total disability;
- (e) Physicians;
- (f) Hospitals;
- (g) Rehabilitation; and
- (h) Any other costs in excess of \$500.

5. If the employer is not satisfied with the explanation provided by the staff, the employer may within 10 days after receiving the staff's explanation request a hearing before a hearing officer. The hearing must be held within 30 days after receiving the employer's request. The evidence presented to the hearing officer by the staff of the commission must be limited to the evidence it presented to the employer. The hearing officer shall notify the employer of his decision within 30 days after the hearing. The decision of the hearing officer is a final administrative decision."

Amend the bill as a whole by renumbering sections 11 through 13 as sections 9 through 11, respectively.

Amend the bill as a whole by deleting section 14.

Amendment No. 191 to Assembly Bill No. 49 (BDR 53-501) Page 6

Amend the title of the bill by deleting the first four lines and inserting:

"AN ACT relating to industrial insurance; providing for distribution of experience dividends; changing provisions relating to rehabilitative services;"

NIC

EXHIBIT B

	ASSETS	CASH	LAND BLDG EQUIP	INVESTMENTS LONG & SHORT	PREMIUMS RECEIVABLE & OTHER	INCOME RECEIVED
1972	46,473,193	2,111,605	703,448	38,487,974	4,619,981	550,58
1973	61,194,676	639,073	698,262	53,664,375	5,518,493	674,47
1974	84,858,178	891,554	1,236,420	74,428,960	7,295,630	1,005,61
1975	103,709,890	1,352,893	2,773,091	90,169,894	8,055,632	1,358,35
1976	127,514,820	1,037,258	3,530,738	110,163,368	9,761,054	3,022,40
1977	164,550,938	1,053,526	5,716,644	142,071,183	13,641,807	2,067,77
1978	213,127,000	1,740,000	8,980,000	180,619,000	19,404,000	2,384,00
1979	280,331,000	1,197,000	9,624,000	243,265,000	21,981,000	3,315,00
1980	334,190,000	1,838,000	10,243,000	290,377,000	24,248,000	4,925,00
	NET GAIN FROM OPERATIONS	PREMIUMS	LIABILITY FOR INCURRED BUT UNPAID LOSSES	ADMITTED SURPLUS	DIVIDENDS PAID AFTER END OF FISCAL YEAR	SURPLUS AFTER DIVIDEND
UN 1972	1,188,939	25,299,980	39,191,000	5,115,034		
" 1973	2,506,391	32,759,194	51,358,000	7,623,425		
" 1974	4,959,470	43,630,181	66,702,000	12,755,509		
" 1975	2,259,508	43,115,039	83,958,000	15,015,017		
" 1976	<3,158,813>	53,626,736	111,769,000	11,856,204		
" 1977	582,763	72,468,653	148,531,000	12,438,967		
" 1978	31,030,000	92,492,000	167,248,000	43,468,000	20,000,000 =	23,468,000
" 1979	15,673,000	111,259,000	212,739,000	31,787,000 - 1,354,000	15,000,000 =	22,787,000
UN 1980	22,728,000	128,278,000	256,868,000	45,515,000		
				+ 10,000,000	± EARNED LAST 6 MONTHS 1980	
				<u>55,515,000</u>	1 JAN 81	

1981 REGULAR SESSION (61st)

ASSEMBLY ACTION	SENATE ACTION	Assembly	AMENDMENT BLANK
Adopted <input type="checkbox"/>	Adopted <input type="checkbox"/>	AMENDMENTS to <u>Assembly</u>	
Lost <input type="checkbox"/>	Lost <input type="checkbox"/>	Joint	
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>	Bill No. <u>137</u>	Resolution No.
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>	BDR <u>53-566</u>	
Concurred in <input type="checkbox"/>	Concurred in <input type="checkbox"/>	Proposed by <u>Committee on Labor and</u>	
Not concurred in <input type="checkbox"/>	Not concurred in <input type="checkbox"/>	<u>Management</u>	
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>		
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>		

Amendment N^o 312

Replaces Amendment No. 285
Conflicts with Amendment No. 123.

Amend section 1, page 1, line 2, by deleting "2 and 3" and inserting "2, 3 and 4".

Amend sec. 3, page 1, by deleting lines 15 through 20, and inserting:

"must be determined jointly by the claimant's attending physician and the examining physician designated by the commission, in accordance with the most recent publication of the American Medical Association entitled "Guides to the Evaluation of Permanent Impairment."

3. Injuries which are not covered by that publication must be considered as at least an impairment of 1 percent.

4. The commission must consider the following factors in calculating entitle-".

Amend sec. 3, page 1, line 23, after the semicolon by inserting "and".

Amend sec. 3, page 2, by deleting lines 1 and 2.

Amend sec. 3, page 2, line 3, by deleting "(c)" and inserting "(b)".

Amend sec. 3, page 2, line 5 by deleting "totally".

Amend sec. 3, page 2, line 6, by deleting "for retirement" and inserting "to receive compensation for disability".

Amend sec. 3, page 2, by deleting lines 15 through 28.

Amend sec. 3, page 2, line 29, by deleting "8." and inserting "7.".

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Drafted by.....EWD:ab.....Date.....3-23-81.....

Amend sec. 3, page 2, line 32, by deleting "9." and inserting "8.".

Amend sec. 4, pages 2 and 3, by deleting lines 34 through 50 on page 2 and lines 1 through 3 on page 3 and inserting:

"Sec. 4. If the claimant's attending physician and the designated examining physician do not agree upon the percentage of disability, they shall designate a physician specializing in the branch of medicine which pertains to the injury in question to make the determination. If they do not agree upon the designation of such a physician, each shall choose one physician so specializing, and two physicians so chosen shall choose a third specialist in that branch. The resulting panel of three physicians shall determine the percentage of disability by majority vote."

Amend the bill as a whole by deleting section 8 and renumbering sections 9 through 13 as sections 8 through 12.

Amend sec. 9, page 5, line 25, by deleting "10 to 14," and inserting "9 to 12;".

Amend sec. 10, page 5, by deleting lines 26 and 27 and inserting:

"Sec. 9. "Occupational disease" is included in the term "occupational disability."

Amend sec. 12, page 5, line 35, by deleting "for retirement" and inserting "to receive compensation for disability".

Amend sec. 13, page 5, by deleting lines 38 through 40 and inserting:

"Sec. 12. 1. The percentage of disability resulting from an occupational disease must be determined jointly by the claimant's attending physician and the examining physician designated by the commission, in accordance with the most recent publication of the American Medical Association entitled "Guides to the Evaluation of Permanent Impairment."

2. If the claimant's attending physician and the designated examining physician do not agree upon the percentage of disability,

they shall designate a physician specializing in the branch of medicine which pertains to the disease in question to make the determination. If they do not agree upon the designation of such a physician, each shall choose one physician so specializing, and two physicians so chosen shall choose a third specialist in that branch. The resulting panel of three physicians shall determine the percentage of disability by majority vote."

Amend the bill as a whole by deleting section 14 and renumbering sections 15 through 19 as sections 13 through 17.

Amend sec. 17, page 6, line 26, by placing brackets around "total".

Amend sec. 17, page 6, by deleting line 47 and inserting: "which [was evidenced by an X-ray picture of the lungs and] included a thorough test of the functioning of the lungs and the making of an X-ray film, as evidenced by a written".

Amend sec. 18, page 7, line 6, by placing brackets around "total".

Amend sec. 18, page 7, line 20, by placing brackets around "total".

Amend sec. 18, page 7, by deleting lines 43 through 45 and inserting:

"6. The employee's ability to return to his employment must be determined jointly by his attending physician and the examining physician designated by the commission. If they do not agree, it must be determined as provided in section 12 of this act for percentage of disability."

Amend the title of the bill, second and third lines, by deleting:

"making psychological distress an occupational disability for certain employees;"

ASSEMBLY

AGENDA FOR COMMITTEE ON LABOR AND MANAGEMENT.....

Date TUESDAY, MARCH 24 Time 5:00 P.M. Room 316.....

Bills or Resolutions
to be considered

Subject

Counsel
requested*

NOTICE-THE HEARING ON THE BILL LISTED BELOW IS CONTINUED FROM 3/16/81

AB-49

Makes certain changes to law on industrial
insurance.